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## CONFIDENTIAL AGENCY

OFFICE OF NATIONAL ESTIMATES

28 March 1 951

SUBJECT: NIE-27: CHINESE COMMUNIST CAPABILITIES AND INTENTIONS WITH RESPECT TO TAIWAN (Discussion as revised at IAC Representatives meeting on 27 March.)

## NATIONALIST CAPABILITIES TO DEFEND TAIWAN

14. The Chimese Nationalist concept of the defense of Taiwan calls for a static perimeter defense by the infantry with an armored force centrally located and serving as a mobile reserve.

(a) Approximately 300,000 Nationalist troops, mainly infantry, are stationed on Taiwan. The armored force has an estimated strength of 30,000 men and 400 light tanks. As a result of continuous training, better pay and rations, and, to some extent, improved command, the present capabilities of the Nationalist ground forces are apparently greater than at the time of the Nationalist defeat on the mainland. Chiang Kai-shek has made strong efforts to remove all personnel of questionable



loyalty and has placed political "advisers" in all military units, but the potential effectiveness of the Nationalist forces is still impaired by dissension within the High Command.

- (b) The Chinese Nationalist Air Force (CNAF) has a reported over-all strength of 845 aircraft of which only 345 are operational. There are no jet aircraft in the CNAF. In its present state, the defensive combat capabilities of the CNAF is very low. However, the CNAF has the organizational structure and necessary personnel, including 1700 trained active pilots, to absorb and utilize additional equipment to improve its effectiveness as a defensive force. Such additional equipment alone, however, would not be sufficient to defend the island against Communist attacks.
- mately 150 miscellaneous craft, the largest of which are seven destroyer—type vessels. About half of the Nationalist fleet is constantly laid up for repair or overhaul. Although naval personnel

- 8 -

are fairly well trained, the political intrigues of the senior officers detract from the navy's capabilities.

15. The Chinese Nationalist Government has taken far-reaching steps to guard against Chinese Communist sabotage on Taiwan through strict surveillance and terroristic methods. Nevertheless, the Communists appear to have maintained some underground organization on the island which might be capable of effective sabotage of lines of communications and military installations at the time of an

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16. In the absence of US participation in the defense of the island, the Chinese Communists probably could capture Taiwan by assault. Nationalist naval capabilities to intercept an invasion fleet are extremely limited. The air force could not provide adequate defense for Taiwan against the type of attack the Chinese Communists could mount. The armored force, a key element in the defense of the island, probably would have difficulty in fulfilling

its mission as a mobile reserve because of the poor condition of its equipment and lack of spare parts. In these circumstances, even without taking into account the reliability factor, it is doubtful that the Nationalist ground forces could successfully defend the island if the Chinese Communists succeeded in making large-scale landings.

17. We believe that without direct Soviet participation and with prompt and substantial Naval and Air assistance by the US armed forces, the Chinese Nationalist defense forces are capable of holding Taiwan against a determined Chinese Communist invasion.

## SINO-SOVIET INTENTIONS WITH RESPECT TO TAIWAR

16. Reports continue to be received of amphibious training and landing craft construction on the east coast of mainland China indicating that Peiping probably has not abandoned its plans for an invasion of Taiwan. Recent troop build-ups along the coast opposite Taiwan and intensified construction work on nearby airfields could indicate preparations for an early assault on Taiwan or on some of the smaller Nationalist-held islands off the east coast (such as Quemoy or Matsu); they may, on the other hand, be merely measures of defense against anticipated US-supported Nationalist landings.

- 19. The Chinese Communists in all probability consider gaining control over Taiwan to be of major importance. Nationalist hands. Taiwan represents the last major remnant of organized resistance to the Communist regime, a symbol of resistance, and a source of aid to mainland dissidents. US policy declarations with respect to the island probably has heightened fear among Chinese Communist leaders that Taiwan would eventually be used as a base for the invasion of the mainland, and the regime will probably not consider itself secure until Taiwan is under Communist control. Although the Chinese Communist leaders are probably anxious to proceed with the conquest of Taiwan, and have repeatedly pledged themselves to the "liberation" of the island, they will be guided by the USSR view that Taiwan should be regarded in terms generally of the world-wide Communist situation and in particular of the Far Eastern Communist situation. / Recent Chinese propaganda has tended to de-emphasize Taiwan and has avoided committing the regime to an early invasion attempt. (see Tab B).
- 20. Although the Kremlin might wish to have the Chinese Communists conquer Taiwan in order to breach the US Pacific line and obtain a staging area for further Communist offensive action to the south, its approach to the problem will be governed by its

- 11 -

general strategy in the East-West struggle and by the availability of Soviet military resources. We believe, however, that the USSR is less concerned with the advantages or disadvantages of anti-Communist control of Taiwan than with the possibility that hostilities between the US and China might spread and put the USSR under an almost unavoidable compulsion to come openly to the aid of China. Unless the Kremlin considers this possibility to be slight or is prepared for the eventuality of general war, the USSR is unlikely to overtly support a Chinese Communist assault on Taiwan. In any event, a continuation of the present impasse has certain advantages for both Communist China and the USSR in that is has a divisive effect on the Western Powers and serves as a focal point for Chinese Communist anti-Americanism.